Remarks:

Applicant received a final Office Action dated July 13, 2005.   In response, Applicant filed a response to the final Office Action on September 9, 2005.   The Examiner sent Applicant an advisory action dated October 14, 2005.

Claim Rejections – 35 USC §102

Claims 25-34 are rejected under 35 USC 102(e) as being anticipated by Dahm. Applicant has cancelled claims 25-34 in the above amendment.

Claim Rejections – 35 USC §103

Claims 16-24 and 35-38 are rejected under 35 U.S.C. 103(a) as being unpatentable over D'Avello in view of Lambert.   Claim 16 as amended above requires a memory that records information of the mobile terminal as to whether to disable the mobile terminal, and a memory control that, in response to a report notifying a possibility of fraud which may be committed with the mobile terminal, stores in the memory information of the mobile terminal indicating that the mobile terminal has to disabled.   Claim 16 also requires a terminal control that, if the memory indicates that the mobile terminal has to be disabled, sends a disabling signal, independently of the at least one financial institution, to the mobile terminal.

Claim 16 is directed to operations of a network.   D'Avello mainly describes the functions and operations of a telephone.   The only portion of the D'Avello specification which may appear to be relevant to the subject matter recited in claim 16 is a description found in col. 8, lines 44-51.   D'Avello simplifies the authentication process required to make a call with a credit card phone.   D'Avello states that the conventional credit card phone has to communicate with a network to authenticate a credit card each time a call is placed. (col. 2, lines 20-36).

To simplify the credit card authentication process, the D'Avello phone first communicates with a network to have the network authenticate a credit card.   If the network validates the credit card, the phone then registers the credit card in itself.   This is called a registration process.   After this registration process, the phone authenticates a credit card which is slid by a user to make a call.   The phone simply

compares the number of the credit card just slid with the number of the registered credit card verified by the network.   Thereby, the phone does not have to communicate with the network for authentication each time a credit card is slid.

In registering a new credit card, the phone communicates the number of the new credit card to the network.   The network applies the number of the new credit card against a list of the stolen credit cards.   If the new card is one of them on the list, the network will notify the phone that the card cannot be used.   The phone stores the number of the credit card which found stolen and will prohibit the credit card from being used with the phone in the future.

There are two critical differences between the credit card registration process disclosed in D'Avello and the invention claimed in claim 16.   First, the D'Avello network stores information of <u>stolen credit cards</u>, whereas the network recited in claim 16 stores information of <u>the mobile terminal</u> as to whether to disable the mobile terminal.   The only information that the D'Avello network has is the numbers of stolen credit cards, and the network does not have information of any mobile terminal as to whether to disable a mobile terminal.

Second, the D'Avello network, when it finds the card is a stolen one, just advises the phone that the card cannot be used.   In claim 16, if the memory indicates that the mobile terminal has to be disabled, the network sends a disabling signal to the mobile terminal.

These differences illustrate that the D'Avello network functions completely differently than the network recited claim 16.   There is nothing in D'Avello that discloses or suggests the functions of the network recited in claim 16.   Lambert is also silent about the functions of the network recited in claim 16.   Therefore, Applicant believes that claim 16 and its dependent claims should be allowable over D'Avello and Lambert.
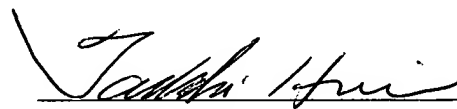
Claim Rejections – 35 USC §103

Claims 35-38 are rejected under 35 U.S.C. 103(a) as being unpatentable over D'Avello in view of Lambert.   In the response dated September 9, 2005, Applicant argued as follows:

Claim 35 calls for an instrument adapted to be used with an external instrument reader.   The instrument is, for instance in the embodiment, a universal magnetic card, and the external instrument reader is, for instance in the embodiment, a cash register placed in a retailer store.   Claim 35 also calls for an instrument control that reconfigures the instrument, based on the readout information, for effecting the financial services provided by the selected financial institution.   In the embodiment of the present invention, all of the contract information is stored in a wireless telephone.   A user of the wireless telephone may be contracted with multiple card companies.   When the user selects one card company, for instance VISA, the contract information regarding VISA is readout from the memory and recorded on the universal card.   The universal card can thereby be used as a VISA card.   More specifically, in the embodiment, according to a selection of a card company by the user, the wireless telephone reconfigures the universal card into a specific credit card.   Both D'Avello and Lambert are silent about the subject matter recited in claim 35.   Therefore, claims 35-38 should be patentable over D'Avello and Lambert

The Examiner did not respond to Applicant's argument in the advisory action. Applicant believes that the above argument is still true and that claim 35 and its dependent claims should be allowable over D'Avello and Lambert.

Respectfully submitted,

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